## REMARKS/ARGUMENTS

Claims 1-94 are pending. Claim 12 is amended to replace the term "capable of buffering" with "for buffering." The specification is amended to correct some typographical errors.

Applicants are willing to file any required Terminal Disclaimer, as contemplated by the Examiner.

Claims 1-3, 18, 20-28, 43, 45, 47-51, 58-59, 61, 66-68, 71-75, 82-83, 85-87, 90-91 are rejected under 35 U.S.C. 102(e) as being anticipated by Arimilli (US 6,515,984). Claims 4-17, 19, 29-42, 44, 46, 52-57, 60, 63-65, 69-70, 76-81, 84, 88-89, 92-93 are rejected under 35 U.S.C. 103(a) as being unpatentable over Arimilli as set forth above in view of Murphy (2002/0036791). In view of the following remarks, applicants respectfully submit for allowance. in condition that the application is Accordingly, reconsideration and allowance of the application are respectfully requested.

Independent claim 1 includes, among other limitations, "a full duplex data exchange for exchanging data signals from the network line with data signals from the packet based network, wherein the full duplex data exchange demodulates the data signals from the network line and outputs the demodulated data signals to the packet based network, and wherein the full duplex data exchange remodulates the demodulated data signals from the packet based network and outputs the remodulated data signals to the network line."

Arimilli does not teach the above recited limitations. Rather, Arimilli discloses a data multiplexing which <u>multiplexes</u> a plurality of asynchronous <u>data channels</u> with <u>an</u> asynchronous

data stream representing compressed voice signals and/or facsimile signals onto a <u>single synchronous</u> data packet stream. (Abstract and Summary of the Invention, emphasis added). This <u>single synchronous</u> data packet stream is <u>NOT a packet based</u> network, because a packet based network, by definition, is asynchronous.

describes that "data/voice/fax Arimilli further а multiplexer 300a is configured to take voice information from telephone equipment, facsimile information from facsimile machines and asynchronous data from data terminal equipment devices and combine this information data for and single composite communications link." transmission over a (Col. 4, lines 34-39, emphasis added). "The asynchronous data received by multiplexer 300 from the DTE devices is combined with packetized picture data and packetized compressed voice information for multiplexing and synchronous transmission over the composite link." (Col. 4, lines 61-65, emphasis added).

In contrast, the full duplex data exchange of the present invention, as claimed by claim 1 "demodulates the data signals from the network line and outputs the demodulated data signals to the packet based network, and wherein the full duplex data exchange remodulates the demodulated data signals from the packet based network and outputs the remodulated data signals to the network line." Again, a packet based network, by definition communicates data asynchronously.

Accordingly, claim 1 is not anticipated by Arimilli. Applicants further submit that dependent claims 2-25 that depend

directly or indirectly from claim 1 are also allowable as is claims 1 and for additional limitations recited therein.

Independent claim 26 includes, among other limitations, "a full duplex data exchange for exchanging data signals from a second telephony device with demodulated data signals from the packet based network, wherein the full duplex data exchange demodulates the data signals from the first telephony device and outputs the demodulated data signals to the packet based network, and wherein the full duplex data exchange remodulates the demodulated data signals from the packet based network and outputs the remodulated data signals to the first telephony device."

For the same reasons stated above, claim 26 is also not anticipated by Arimilli. Applicants further submit that dependent claims 27-48 that depend directly or indirectly from claim 26 are allowable as is claims 26 and for additional limitations recited therein.

Independent claim 49 includes, among other limitations, "remodulating the demodulated data signals from the packet based network for inputting to the network line," and "simultaneously exchanging the remodulated data signals from the network line with demodulated data signals from the packet based network." For the same reasons stated above, independent claim 49 is not anticipated by Arimilli and thus is allowable over the cited references. Applicants further submit that dependent claims 50-73 that depend directly or indirectly from claim 49 are allowable as is claims 49 and for additional limitations recited therein.

Independent claim 74 includes, among other limitations, "demodulating data signals from the first telephony device for inputting to the packet based network," "remodulating the demodulated data signals from the packet based network," and "simultaneously exchanging the remodulated data signals from a second telephony device with demodulated data signals from the packet based network."

Again, For the same reasons stated above, Arimilli does not disclose the above limitations. Therefore, independent claim 74 is not anticipated by Arimilli and thus is allowable over the cited references. Applicants further submit that dependent claims 75-94 that depend directly or indirectly from claim 74 are allowable as is claims 74 and for additional limitations recited therein.

In view of the above amendments and following remarks, applicants respectfully submit that the application is in condition for allowance, therefore, reconsideration and allowance of the application are respectfully requested.

Respectfully submitted,
CHRISTIE, PARKER & HALE, LLP

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Raymond R. Tabandeh Reg. No. 43,945 626/795-9900

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